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March 27, 2012

**OVERNIGHT DELIVERY**Docket Control  
Arizona Corporation Commission  
1200 W. Washington St.  
Phoenix, AZ 85007Arizona Corporation Commission  
**DOCKETED**

MAR 28 2012

DOCKETED BY	
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Re: *AT&T's Objections to Proposed Tariff Revisions of Level 3 Communications, LLC; Docket No. T-03654A-12-0012*

Dear Sir or Madam:

On January 12, 2012, Level 3 filed tariff revisions in the above-referenced docket. The revisions purport to implement the VoIP-PSTN provisions of the FCC's November 18, 2011 Report and Order on universal service and intercarrier compensation (the "FCC Order"). Level 3's filing violates the FCC Order in two respects.

First, Level 3's tariff revisions do not address traffic that originates or terminates in its own network IP format. Specifically, Section 3.4.6 of the tariff calculates the Percent VoIP Usage ("PVU") factor based solely on IP traffic at the customer's end of the call. There is no mechanism for addressing traffic that originates or terminates in IP on Level 3's end. This is inconsistent with the FCC Order, which adopted the interstate access rate as the default rate to be charged for all traffic exchanged over PSTN facilities that originates *and/or* terminates in IP format. The reason for this omission could be that Level 3 does not currently provide retail VoIP services. If this is the case, then the company should be required to certify this claim. Also, the tariff should be revised to include calculation of a company PVU factor that will account for calls that originate or terminate from Level 3's own end user customers (in the event that the company provides VoIP-based end-user services in the future).

Second, Section 3.4.8 of Level 3's revised tariff states that the initial PVU factor will be applied prospectively in the next bill period after the customer's PVU factors are provided. This is inconsistent with the fact that the FCC Order became effective on December 29, 2011 and required immediate implementation. See FCC Order at ¶ 939, n.1890. Accordingly, the tariff should be modified to apply retroactively to December 29, 2011. See Order of North Carolina

Utilities Commission, dated March 6, 2012, at 9 (concluding that it is "appropriate for a customer's bills to reflect initial PVU being implemented on December 29, 2011").<sup>1</sup>

Based on the foregoing, AT&T respectfully requests that the Arizona Corporation Commission order Level 3 to revise and refile its tariff to correct these issues. Specifically, the tariff should (1) address traffic that originates or terminates in the company's own network IP format and (2) be applied retroactively to December 29, 2011.

Very truly yours,

AT&T

*Sharon Mullin*

*by Seth Dauteriv, w/permission*

By: Sharon Mullin  
Director  
AT&T Services, Inc.

Enclosure

**Original and 13 copies**  
Filed with Docket Control  
This 27<sup>th</sup> day of March, 2012

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<sup>1</sup> A copy of the North Carolina Order is attached hereto as Exhibit 1.

# EXHIBIT 1

DOCKET NO. P-100, SUB 170

In the Matter of

The Public Staff stated that as part of its reform of the intercarrier compensation system, the FCC concluded that all telecommunications traffic, both local as well as traditional interstate and intrastate access traffic, falls under its authority as set out in

Section 251(b)(5) of the Telecommunications Act of 1996 (TA96). The Public Staff noted that this Section of TA96 imposes on all local exchange carriers (LECs) the duty to establish reciprocal compensation arrangements for the transport and termination of telecommunications. The Public Staff asserted that the CAF Order imposes a cap on all reciprocal compensation and access rates except the intrastate originating access rates for those providers that the FCC has classified as rate-of-return carriers. The Public Staff stated that the transition period imposed by the CAF Order on switched access traffic requires rate adjustments on intrastate terminating and transport access rates beginning on July 1, 2012, with the transition period extending to July 1, 2020, for some LECs in order to reach the FCC's ultimate goal of a bill-and-keep arrangement for intercarrier compensation. The Public Staff stated that it expects LECs will comply by filing tariff revisions in the coming months. The Public Staff explained that the changes described above are not part of the tariff filings addressed in the February 20, 2012 Agenda Item.

The Public Staff specified that the CAF Order also addresses the issue of intercarrier compensation for the prospective exchange of communications traffic between voice providers providing service using voice over internet protocol (VoIP) technology and those carriers providing service over the public switched telephone network (PSTN). The Public Staff noted that this exchange of traffic is referred to by the FCC as "VoIP-PSTN" traffic and is defined by the FCC as "traffic exchanged over PSTN facilities that originates and/or terminates in IP format." (CAF Order at Paragraph 940) The Public Staff stated that the CAF Order specifies that, effective December 29, 2011, the default charges for toll VoIP-PSTN traffic should be no greater than the interstate access rates that apply to non-VoIP traffic. The Public Staff maintained that these default charges apply unless there is an agreement between carriers for different intercarrier compensation.

The Public Staff further explained that, in response to the VoIP-PSTN compensation part of the CAF Order, the North Carolina LECs filed revised intrastate access tariffs with the Public Staff in accordance with Commission Rule R9-4 or their respective price regulation plans. The Public Staff stated that it has reviewed each of these tariffs and is proposing certain revisions. The Public Staff specified that the most significant issue the Public Staff has with some of the tariffs is their failure to address traffic originating on their networks and being terminated in IP format on another carrier's network. The Public Staff noted that the part of the CAF Order regarding default charges for intercarrier compensation applies to traffic exchanged over PSTN facilities that "originates and/or terminates" in IP format.

The Public Staff stated that, based on its review of the tariff filings, the proposed tariffs of AT&T, Carolina and Central, and Verizon need minor revisions but otherwise comply with the CAF Order. The Public Staff asserted that the Frontier, Windstream, and Industry Group tariffs are not in compliance with the CAF Order, and recommended that the Commission order those companies to revise their tariff filings as recommended by the Public Staff. The Public Staff also maintained that, since the CAF Order became

effective on December 29, 2011, the tariffs for all companies should reflect an effective date of December 29, 2011.

In summary, the Public Staff recommended that the Commission issue an order opening a generic docket for the VoIP-PSTN tariff filings and all future tariff filings by LECs to implement the CAF Order and directing the companies to refile their access tariffs implementing the FCC's requirements regarding VoIP-PSTN traffic in accordance with the Public Staff's recommendations, as detailed below.

### **VERIZON**

The Public Staff noted that Verizon South Inc. d/b/a Verizon North Carolina (Verizon) filed its revised tariff on December 13, 2011, with an effective date of January 1, 2012. The Public Staff stated that it disagrees with only one aspect of the filing. The Public Staff stated that the notes in Sections 2.3.11(C)(1) and (2) of the tariff propose that the Percent VoIP Usage (PVU) factors will be calculated based on the percentage of "total intrastate and interstate access" minutes-of-use (MOU) exchanged in the State that originates and/or terminates in IP format. The Public Staff recommended that the Commission conclude that the PVU factors should be based only on intrastate access MOU and that the Verizon tariff should be modified accordingly.

Mr. D. O'Roark spoke on behalf of Verizon at the Staff Conference. Mr. O'Roark stated that Verizon supports the Public Staff's recommendations and also specifically noted that Verizon is agreeable to amending its tariff filing to reflect that the PVU factor is based only on intrastate access MOU, as recommended by the Public Staff.

Concerning the issue of originating traffic being included in the VoIP-PSTN transitional compensation framework, Mr. O'Roark opined that the FCC's CAF Order was not ambiguous and clearly stated that the VoIP-PSTN compensation regime applies to all VoIP-PSTN traffic, whether originating or terminating. Mr. O'Roark asserted that the FCC wanted to treat the different kinds of carriers the same way in a symmetrical way so that the same rates apply whether a carrier is a traditional carrier, like Frontier and Windstream, or a VoIP provider. Mr. O'Roark referenced Paragraph 942 of the FCC's CAF Order wherein the FCC stated that, ". . . [w]e thus decline to adopt an asymmetric approach that would apply VoIP-specific rates for only IP-originated or only IP-terminated traffic, as some commenters propose. The Commission [FCC] has recognized concerns about asymmetric payment associated with VoIP traffic today, including marketplace distortions that give one category of providers an artificial regulatory advantage in costs and revenues relative to other market participants. An approach that addressed only IP-originated traffic would perpetuate - and expand - such concerns. . ." (footnotes omitted)

Mr. O'Roark also referenced Paragraph 961 of the FCC's CAF Order wherein the FCC stated, ". . . [w]e therefore permit LECs to file tariffs that provide that, in the absence of an interconnection agreement, toll VoIP-PSTN traffic will be subject to

charges not more than originating and terminating interstate access rates. . . .” (footnotes omitted) Mr. O’Roark concluded that the FCC addressed this issue thoughtfully and in a specific way that is a little different than other traffic addressed in the CAF Order.

## **FRONTIER**

The Public Staff noted that Frontier Communications of the Carolinas Inc. (Frontier) filed revisions to its two access tariffs on December 16, 2011, with an effective date of January 1, 2012. The Public Staff indicated that on December 29, 2011, Verizon submitted a letter to the Public Staff Communications Division asking that Frontier be required to modify its tariffs to correctly reflect the CAF Order. The Public Staff further noted that on January 12, 2012, Frontier submitted a letter to the Public Staff Communications Division in response urging that Verizon’s request be rejected, and on January 25, 2012, Verizon submitted a response to the Frontier letter with the Public Staff Communications Division restating its objection to Frontier’s tariffs and asking that Frontier be required to resubmit its tariff filings to correctly reflect the application of interstate access rates to all VoIP-PSTN traffic.

The Public Staff stated that it believes that some revisions are needed to bring the Frontier tariffs into compliance with the CAF Order. The Public Staff asserted that the two Frontier tariffs define the PVU as a factor representing “the percentage of the total intrastate and interstate access MOU that the customer terminates to the Telephone Company in this State that is sent to the Telephone Company and that originated in IP format.” The Public Staff stated that it disagrees with this wording for two reasons. The Public Staff argued that, first, the intrastate PVU factor should not be affected by interstate minutes; it should be based only on the percentage of intrastate minutes that originate and/or terminate in IP format. The Public Staff maintained that, second, the Frontier language addresses only traffic being terminated by Frontier that originated in IP format; it does not speak to traffic originated by Frontier end users, exchanged with an access customer, and terminated in IP format. Also, the Public Staff stated that the tariff language does not address the possibility of Frontier end user customers originating calls using IP format so that traffic originated by or terminated to those customers would be included in the toll VoIP-PSTN traffic. The Public Staff recommended that the Commission conclude that the Frontier tariffs should be revised to address all traffic exchanged that originates and/or terminates in IP format.

Mr. Stan Pace appeared at the Staff Conference on Frontier’s behalf. Mr. Pace asserted that Frontier disagrees with the Public Staff’s recommendations. Moreover, he stated that Frontier disputes Verizon’s interpretation of the FCC’s CAF Order on many fronts. Mr. Pace contended that the FCC’s CAF Order is ambiguous in places, however, he stated that Frontier believes that the FCC’s CAF Order does not address originating access charges, which would include originating traffic in the VoIP-PSTN transitional compensation framework. He also asserted that Frontier believes that the FCC was clear that it was not requiring reductions in originating access at this time.

Mr. Pace noted specific paragraphs of the CAF Order to support Frontier's position. First, Mr. Pace referenced Paragraph 739<sup>1</sup> wherein the FCC states, "...[w]e... [are] limiting reform to terminating access charges at this time. . . ." Mr. Pace further paraphrased Paragraph 739 as noting that the FCC would evaluate other charges such as originating access at a later date.

Mr. Pace also referenced Paragraph 1298 in the FCC's Further Notice of Proposed Rulemaking wherein the FCC was seeking comment on the final transition of all originating access charges, which would, according to Mr. Pace, necessarily include those access charges associated with the issue at hand because they originate on the switched network and terminate in VoIP.

Mr. Pace noted that on December 29, 2011, Frontier and Windstream filed a joint Motion for Reconsideration and/or Clarification with the FCC concerning the exact issue of whether originating switch traffic that terminates on VoIP is included in the FCC's ruling on the transitional compensation framework for VoIP-PSTN traffic. Mr. Pace asserted that Frontier believes that the FCC will resolve this issue "in short order" and noted that reply comments on the Motion are due on February 22, 2012. Mr. Pace opined that the FCC will rule on the Motion for Reconsideration and/or Clarification in mid-March. Therefore, Mr. Pace maintained, the Commission should not act on the Public Staff's recommendation at this time.

### **CAROLINA AND CENTRAL**

The Public Staff noted that Carolina Telephone and Telegraph Company d/b/a CenturyLink and Central Telephone Company d/b/a CenturyLink filed their tariffs on December 16, 2011, with an effective date of December 30, 2011. The Public Staff believes that the tariff filings are essentially in compliance with the requirements of the CAF Order and need only one minor change. The Public Staff maintained that Section 2.3.13(D)(1) of the tariffs states: "If the PVU factors cannot be implemented in the Telephone Company's billing systems by December 29, 2011, once the factors can be implemented, the Telephone Company will adjust the customer's bills to reflect the PVU factors prospectively in the next bill period, if the PVU factors are provided by the customer to the Telephone Company prior to April 15, 2012." The Public Staff stated that it does not believe that the CAF Order allows a company to delay the application of interstate rates. The Public Staff believes that, instead, the tariffs should be revised so that the customer's bill will be adjusted to reflect the initial PVU being implemented on December 29, 2011, as long as the PVU factors are provided to the company by April 15, 2012.

Ms. Laura Sykora spoke on behalf of Carolina and Central at the Staff Conference. Ms. Sykora indicated that Carolina and Central are in agreement with the Public Staff's recommendation to revise the tariff filings so that a customer's bill will be

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<sup>1</sup> The Commission notes that the FCC's discussion of overall comprehensive intercarrier compensation reform begins at Paragraph 736 of the CAF Order. The FCC begins its discussion of intercarrier compensation for VoIP traffic at Paragraph 933 of the CAF Order.



adjusted to reflect the initial PVU being implemented on December 29, 2011, as long as the PVU factors are provided to the company by April 15, 2012.

### **WINDSTREAM**

The Public Staff noted that Windstream North Carolina LLC (Windstream) filed its tariff on December 21, 2011, with an effective date of January 20, 2012. The Public Staff stated that on January 27, 2012, Verizon submitted a letter to the Public Staff Communications Division urging that Windstream be required to modify the provisions of the tariff filing so that carriers exchanging traffic with Windstream will receive the full benefits of the CAF Order.

The Public Staff stated that it does not believe Windstream's tariff is in compliance with the CAF Order. The Public Staff maintained that the PVU factor in the Windstream tariff does not address traffic originating from Windstream end users, exchanged with the access customer, and terminating in IP format. The Public Staff further maintained that the PVU factor does not address traffic received from the access customer that terminates at the Windstream end user in IP format. Therefore, the Public Staff asserted that the tariff does not reflect the requirement that interstate rates be applied to all traffic either originating and/or terminating in IP format. The Public Staff recommended that the Commission conclude that Windstream's tariff should be revised to include all traffic exchanged that originates and/or terminates in IP format.

The Public Staff noted that, in addition, the tariff includes a requirement that the customer must provide the initial PVU factor within 15 days of the effective date of the tariff in order for the customer's PVU factor be applied retroactively to January 1, 2012. The Public Staff asserted that it believes the tariff should be revised so that the customer's bill will be adjusted to reflect the initial PVU being implemented on December 29, 2011, as long as the PVU factors are provided to the company by April 15, 2012.

Finally, the Public Staff maintained that Section 2.3.14(C)(5) of the tariff provides that "[i]n the absence of an interconnection agreement at no time will the Telephone Company allow an OPVU (Originating PVU) or TPVU (Terminating PVU) factor greater than the applicable State percentage as identified in Paragraph 963 of the CAF Order." The Public Staff asserted that this provision fails to recognize the right of access customers to offer support for values higher than that determined by Windstream. The Public Staff also noted that there are some minor tariff inconsistencies between the current effective pages and the proposed pages that need to be corrected.

Ms. Jayne Eve spoke on behalf of Windstream at the Staff Conference. Ms. Eve noted that she was in agreement with the remarks made by Mr. Pace. Ms. Eve also stated that Windstream expects a "swift answer" from the FCC on the question of whether originating traffic is included in the FCC's transitional compensation framework for VoIP-PSTN traffic. In addition, Ms. Eve stated that Windstream would like to have the PVUs by the end of the first quarter 2012, and not April 15, 2012 as recommended

by the Public Staff, in order to coordinate with certain Windstream obligations for financial reporting purposes. Ms. Eve maintained that the Commission should allow Windstream's proposed tariff to stand as is and that Windstream is prepared to correct its tariff if it is needed after the FCC issues its decision on the joint Motion for Reconsideration and/or Clarification. Ms. Eve also asserted that, "[i]t [the FCC's CAF Order] certainly wasn't very clear on applying the PVU to originating access". Ms. Eve maintained that the FCC has indicated in its Further Notice of Proposed Rulemaking that this particular issue is outstanding, and she asserted that the issue is not clear, as some of the other parties would lead the Commission to believe.

In response to a question from Commissioner Brown-Bland, Ms. Eve agreed that if the FCC requires originating VoIP-PSTN traffic to be included in the transitional compensation framework as proposed by the Public Staff in this proceeding, Windstream would have no problem with the Commission entering an order that would require a true-up. Ms. Eve indicated that Windstream is proposing that the Commission allow Windstream's tariff to go into effect as is and allow Windstream to correct the tariff if the FCC clarifies the issue consistent with the Public Staff's recommendation in this proceeding.

#### **INDUSTRY GROUP**

The Public Staff noted that AT&T filed a tariff on December 29, 2011, on behalf of the Industry Group, comprised of Windstream Concord, Ellerbe Telephone Company, MEBTEL Communications, North State Telephone Company d/b/a North State Communications, Barnardsville Telephone Company, Windstream LEXCOM, Pineville Telephone Company, Saluda Mountain Telephone Company, and Service Telephone Company. The Public Staff stated that the effective date of the tariff was December 29, 2011. The Public Staff maintained that the tariff included two separate sections on calculation and application of PVU factors; Section I2.3.18.C is applicable to one group of companies and Section I2.3.18.D is applicable to a second group of companies.

The Public Staff stated that it does not believe that the method described in Section I2.3.18.C of the Industry Group tariff is in compliance with the CAF Order. The Public Staff maintained that the PVU factor in that section of the tariff does not address traffic originating from Industry Group end users, exchanged with the access customer, and terminating in IP format. Therefore, the Public Staff asserted, the tariff does not reflect the requirement that interstate rates be applied to all traffic either originating and/or terminating in IP format. The Public Staff recommended that the Commission require the Industry Group to revise the tariff to address all traffic exchanged that originates and/or terminates in IP format.

The Public Staff asserted that, in addition, the tariff does not specify that the initial PVU will be applied retroactively to December 29, 2011. The Public Staff recommended that the Commission require the Industry Group to revise the tariff so that the customer's bill will be adjusted to reflect the initial PVU being implemented on

December 29, 2011, as long as the PVU factors are provided to the company by April 15, 2012. The Public Staff further stated that Section I2.3.18G.1. of the tariff specifies that not more than twice a year the company may request data and information from the customer to validate the PVU factors, which the customer shall reasonably supply within 15 days of the request. The Public Staff noted that the tariff states that if the data is not supplied, the company may set the PVU factor to zero. The Public Staff stated that it believes that the PVU factor should be set at the most recent agreed upon PVU factor until the PVU factors are validated or revised PVU factors are established. Finally, the Public Staff maintained that there are some minor tariff references that need to be corrected.

No one spoke on behalf of the Industry Group at the Staff Conference.

### **AT&T NORTH CAROLINA**

The Public Staff noted that BellSouth Telecommunications, LLC d/b/a AT&T North Carolina (AT&T) filed its tariff on January 6, 2012, with an effective date of January 6, 2012. The Public Staff stated that it has reviewed the filing and believes that AT&T's tariff filing complies with the requirements of the CAF Order except for some minor corrections that need to be made to the revision level and tariff references.

Mr. John Tyler spoke on behalf of AT&T North Carolina at the Staff Conference. Mr. Tyler indicated that AT&T North Carolina has already made the changes to its tariff as recommended by the Public Staff and that the revised tariff is already on file with the Public Staff Communications Division. Mr. Tyler also stated that AT&T North Carolina supports the Public Staff's position that the FCC's CAF Order does include originating VoIP-PSTN traffic in the transitional compensation framework. Mr. Tyler agreed with Mr. O'Roark's comments concerning the symmetrical treatment of carriers. Mr. Tyler further stated that, "Mr. Pace's citations of Paragraphs 739 and 1298 are talking about intercarrier compensation to be sure, but not VoIP intercarrier compensation." Mr. Tyler noted that the FCC's discussion on VoIP-PSTN traffic begins at Paragraph 933 at continues through Paragraph 974 of the CAF Order.

### **OTHER PARTIES**

Mr. Bill Atkinson spoke on behalf of Sprint at the Staff Conference. Mr. Atkinson stated that Sprint fully supports the Public Staff's recommendations. He further noted that the FCC's rules have not been stayed and are currently in effect.

Mr. Marcus Trathen spoke on behalf of the North Carolina Cable Telecommunications Association (NCCTA) at the Staff Conference. Mr. Trathen echoed support for the Public Staff's recommendations and stated that it is the NCCTA's belief that the FCC's transitional compensation framework for VoIP-PSTN traffic includes originating traffic. Mr. Trathen asserted that the FCC's rule is very clear on this point and that the FCC specifically rejected recommendations that would have resulted in an asymmetrical application of its new policies. Mr. Trathen specified that

the FCC actually dealt directly with originating access rates in Paragraph 961 of the CAF Order and specifically called out that the originating traffic would be included in the tariff revisions. Mr. Trathen stated that until the FCC changes its mind, the law "is what it is" and that the tariffs should be revised if the FCC changes its mind on this issue.

## **DISCUSSION**

The Public Staff expressed three main objections to the VoIP-PSTN traffic tariff filings made by the LECs.

First, the Public Staff believes that the PVU factor should be based only on intrastate access MOU and not, as Verizon and Frontier have reflected, on intrastate and interstate access MOU. Verizon stated that it is in agreement with the Public Staff's recommendation in this regard; Frontier did not specifically address this recommendation. The Commission concludes that it is appropriate to only reflect intrastate MOU in the PVU factor. The Commission notes that the majority of companies only reflected intrastate MOU in the factor, and the Commission concludes that it is reasonable and appropriate that any calculation of a PVU factor for use in the North Carolina access tariffs addressed in this proceeding should only reflect intrastate MOU. Therefore, the Commission agrees with the Public Staff in this regard, and adopts the Public Staff's recommendation.

The second main objection of the Public Staff is that Carolina's tariff, Central's tariff, Windstream's tariff, and the Industry Group's tariff erroneously do not specify that a customer's bill will reflect the initial PVU being implemented on December 29, 2011, as long as the PVU factors are provided to the company by April 15, 2012. Carolina and Central indicated that they are agreeable to the Public Staff's recommendation in this regard. The Commission concludes that it is reasonable to adopt the Public Staff's recommendation. The FCC's CAF Order became effective on December 29, 2011. Therefore, the Commission concludes that it is appropriate for a customer's bill to reflect the initial PVU being implemented on December 29, 2011, as recommended by the Public Staff. In addition, the Commission concludes that the April 15, 2012 deadline for the submission of PVUs to companies is reasonable. Therefore, the Commission concludes that Carolina, Central, Windstream, and the Industry Group should revise their tariff filings to specify that a customer's bill will reflect the initial PVU being implemented on December 29, 2011, as long as the PVU factors are provided to the company by April 15, 2012.

The Public Staff's final main objection is that the tariffs filed by Frontier, Windstream, and some members of the Industry Group do not address VoIP-PSTN traffic originating on the LEC's network and being terminated in IP format on another carrier's network. The tariff filings of AT&T, Carolina, Central, and Verizon include LEC-originated VoIP-PSTN traffic. Ultimately, the question of whether the FCC's transitional compensation framework established for VoIP-PSTN traffic as outlined in Paragraphs 933 through 975 of the CAF Order includes originating traffic is for the FCC to answer. As noted by Frontier during the Staff Conference, this question has been

placed before the FCC in Frontier and Windstream's joint Motion for Reconsideration and/or Clarification. In the meantime, the Commission finds it appropriate to adopt the recommendations of the Public Staff with the caveat that tariffs will be revised, as necessary, and a true-up will take place, when the FCC renders a final decision on this issue. The Commission determines that it is appropriate to have tariffs in place and in effect until a definitive answer is given by the FCC. With the required true-up, all parties will be made whole after the FCC renders its decision.

WHEREUPON, the Commission reaches the following

### CONCLUSIONS

The Commission concludes that it is appropriate to open a generic docket to accept and address, as necessary, tariff filings made by LECs in compliance with the FCC's CAF Order. By this Order, the Commission is opening a new docket, Docket No. P-100, Sub 170, to be entitled "In the Matter of Tariff Filings Made by Local Exchange Carriers in Compliance with the Federal Communications Commission's Connect America Fund Order". Further, the Commission concludes that it is appropriate and reasonable to adopt all of the recommendations of the Public Staff as outlined in Item P1 of the February 20, 2012 Public Staff Commission Conference Agenda and orders the LECs, as necessary, to coordinate with the Public Staff and refile their tariffs in Docket No. P-100, Sub 170 within 10 business days of this Order in accordance with the Public Staff's recommendations. All of the tariff filings involved in this proceeding concerning the transitional compensation framework for VoIP-PSTN traffic will be subject to true-up beginning on December 29, 2011, as necessary, after the FCC issues a final order addressing the Frontier and Windstream joint Motion for Reconsideration and/or Clarification of the CAF Order.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 6<sup>th</sup> day of March, 2012.

NORTH CAROLINA UTILITIES COMMISSION

*Gail L. Mount*

Gail L. Mount, Deputy Clerk

Chairman Edward S. Finley, Jr. did not participate in this decision.